

## General Instructions

### Alignment

Performance plans for senior employees are to be derived from, and clearly linked to, the agency's mission, Government Performance and Result Act (GPRA) strategic goals, program and policy objectives, and/or annual performance plans and budget priorities. Agencies will find it is easier to align senior employee performance plans with organizational goals when organizational goals are clear, measurable, and include specific targets.

Alignment should be clear and transparent so that senior employees can see how their performance plans directly link to organizational goal achievement. Ideally, the performance plans of agency senior employees show clear responsibility for specific organizational goals and objectives (established in GPRA-required annual performance plans), similar to a flow chart. Merely including a generic statement in performance plans that senior employees support organizational goals is not adequate for communicating or demonstrating alignment.

**Examples of Alignment.** Senior employee performance plans can show alignment using several different methods. Here are some examples:

- **Agency Goals are Part of the Form.** The appraisal form includes a block in which the rating official and senior employee indicate with which of the organization's annual performance goals or objectives the results-focused element aligns. Be sure that organizational goals are not merely copied into senior employee performance plans or referred to without the element also including the specific results, with metrics, that the employee is to accomplish in order to support that goal. In other words, the element should directly link to the organizational goal and include clear, credible measures of performance of quality, quantity, timeliness, and/or cost-effectiveness. For example, if the agency strategic goal is "Improve watershed condition" and the agency's annual performance plan objective is "24% of inventoried forest and grassland watersheds are in fully functioning condition," then part of the business result element for a Regional Director of this agency might state "24% of inventoried forest and grassland watersheds are in fully functioning condition." The agency goal and objective can be included in a block on the appraisal form, as long as the performance requirement is specific, with clear results and measures.
- **Agency Goals are Incorporated into Element Language.** The language in the element explains with which organizational goal and objective the element aligns. For example, "Critical Results #1: To accomplish the agency's strategic goal #1 (Improve the Effectiveness of Information and Analysis on the U.S. Economy), the quarterly Employment Cost Index (ECI), quarterly Employer Costs for Employee Compensation (ECEC), and benefits incidence and provisions series are produced in accordance with the agency security and confidentiality principles and meet established quality standards. The ECI is produced and disseminated according to a pre-announced schedule."
- **Agency Goals are the Critical Elements in Performance Plans.** Some agencies have broad strategic goals that can be used in senior employee performance plans as elements. For example, if the agency has a broad strategic goal of "Provide best value for customer agencies and taxpayers," the agency could transfer that goal into senior employee

performance plans as a critical element, with the requirement that for fully successful performance, the executive must “Achieve 40-44% of dollar value of eligible service orders awarded with performance-based statements of work.” As long as the requirement for that element holds the senior employee accountable for a specific result, has measures of performance, and supports any other specific targets that may be found in an organization’s annual work plan, this method of alignment can be effective. Including these specific annual targets in the plan as well would help increase the transparency of the alignment, i.e., a clearer line of sight for the employee.

## **Results**

Senior employees must be held accountable for achieving expected results through at least one critical element in their performance plans. Critical elements that focus on competencies (such as leadership or business acumen, for example) can also be important and desirable to include in plans, but a results-oriented performance plan should describe most requirements in terms of results and must have at least one critical element that holds a senior employee accountable for achieving a result that directly supports organizational goal achievement. Business results should be the goals established in the organization’s annual performance plan or work plan assigned to the executive and his/her organization. Critical elements that merely describe activities without incorporating the desired, measurable result of those activities or simply restate organizational goals without also including the metrics for evaluating performance against those goals do not meet this certification criterion.

**Examples of Results-Oriented Elements.** Below are a few examples of results-oriented performance requirements. Note that the results being measured are products or services, not a competency, behavior, or activity.

- A performance requirement for an executive responsible for an adult literacy program with the intended outcome of improved literacy in adults might be written as, “Within the Western region, at least 95 percent of participating adults passed a standard literacy test during the fiscal year. The program had less than a 2 percent drop-out rate.” The result is a high success rate on a literacy test among participating adults and the accompanying improvement in adult literacy in that region. It is aligned to an organizational goal that specifies a certain percentage in adult literacy improvement.
- A performance requirement for an executive in an organization that processes casework and has an organizational goal of “Make the right decision in the disability process as early as possible” might state, “Fully Successful: the average processing time for initial disability claims is 90 to 97 days, and the net accuracy rate is 97%.” The result is accurate decisions made promptly.
- A performance requirement for a Chief Financial Officer responsible for the budget of an agency might be written as, “The agency’s budget for the upcoming fiscal year is completed by June 15. The budget contains well-justified descriptions of budget requests, is accurate, and meets all the specifications as outlined by OMB.” The result is a complete budget document. It supports the agency’s strategic plan goal of operational excellence.

## Balance

Senior employee performance plans must include appropriate measures or indicators of employee and/or customer feedback; quality, quantity, timeliness, and cost-effectiveness, as applicable; and those technical, leadership, and/or managerial competencies or behaviors that contribute to and are necessary to distinguish outstanding performance.

**Customer Perspective.** Customer perspective measures consider the organization's performance through the eyes of its customers, so that the organization retains a careful focus on customer needs and satisfaction. To achieve the best in business performance, agencies must incorporate reasonable customer needs and wants consistent with the agency's mission and must take them into account as part of their performance planning. To do this, Federal executives must determine who their customers are, and what those customers expect from them, in the context of the employing agency's business purpose and mission.

Customer perspective performance measures should not measure popularity. Sometimes the interests of public groups or other agencies differ from, or are inconsistent with, those of the agency that employs the executive or conflict with the employing agency's mission. All executives are the agents of the head of the employing agency. Therefore, when an agency factors customer feedback into the performance rating process, the appraising official makes the rating determination, not the customer.

For executives of line organizations (i.e., an organization that directly affects the agency's mission), customers may include a wide variety of public groups, other agencies, other governments, and Congress. Examples of customer perspective measures for line organizations could include:

- At least 75% of visitors to a specific national park had a satisfactory experience during their visit, as reported in an exit survey.
- At least 80% of patients on a specific ward in a hospital rate the nursing staff as exceptionally competent and helpful.
- At least 60% of agencies respond that the rules proposed by a regulatory agency are flexible, easier to read and follow, and take into account agencies' previous comments.

Support organizations, such as a human resources office, a building services office, or an acquisitions office, also will have goals and measures, but most of the customers of support organizations will likely be employees who work for the same agency. Examples of customer perspective measures for various support organizations could include:

- 65% of managers participating in an agency survey report they receive adequate assistance when they call their human resources office.
- 75% of employees asked report they are generally satisfied with the food service provider in their building.
- 80% of surveyed managers say the procurement office provides adequate instruction on new procurement procedures.

**Employee Perspective.** The employee perspective focuses attention on the performance of the key internal processes that drive the organization, including employee development and retention. This perspective directs attention to the basis of all future success — the organization's people and infrastructure. Adequate investment in these areas is critical to long-term success.

Management often fears that employee perspective measures include measuring an executive's popularity with employees. The employee perspective factor is not a "popularity contest." Rather, this factor focuses on providing a healthy work environment for employees, which includes how executives lead and motivate their employees and address development and training needs.

Examples of employee perspective measures often include determining the degree of positive employee response through employee surveys such as:

- 68% of employees participating in an agency survey report they received the training they need to perform their job, and over half report their training needs are assessed.
- 48% of employees participating in an agency survey report that awards in their work unit depend on how well employees perform their jobs.

### **Accountability**

In the case of supervisory senior employees, their performance plans and ratings must reflect the degree to which performance requirements for individual subordinate employees clearly align with organization mission, GPRA strategic goals, or other program or policy objectives, and take into account the degree of rigor in the appraisal of their subordinate employees. Supervisory plans must include a critical element that holds SES and SL/ST supervisors accountable for the performance management of their subordinates.

**Example.** An example of part of a critical element in an executive plan that meets the accountability requirements is:

- **Leadership:** The executive ensures that performance plans of employees within his/her area of responsibility are aligned with organizational goals and that employees are appraised realistically against clear, measurable standards of performance.